# Proposed Amendments for Taxi, For-Hire, Limousine Regulations Committee Discussion 2/14/2014

This will be the order for consideration today.

## Council Bill 118031

## 1. LAW's Amendments – Technical Clean Up

## Purpose:

- Correct errors
- Add language that clarifies recipients of new taxi licenses to be issued by FAS in 2014 and 2015 must relinquish any share they own in an existing taxi license.

Action: <u>Substitute CB 118031 V2 dated February 12, 2014 for the version (#1)</u> introduced and before the Committee.

## 2. Bagshaw Amendment

Issue 100 new taxi licenses in 2014 and 100 in 2015.

## 3. Burgess Amendment #1

<u>Purpose</u>: Provide clear language on what the Council will be evaluating at the end of the pilot period to achieve the policy goal of "promoting public safety, consumer protection and fair competition."

Section 1 (page 3, line 20):

15. The Council finds it necessary to review the pilot program to ensure it is fulfilling its purpose of promoting public safety, consumer protection and fair competition, so City Council will assess the benefits and any negative unintended consequences of the pilot program by no later than December 31, 2015. The review of the pilot program shall include an assessment of taxi industry trips and revenue, the percentage of taxi industry trips that are dispatched, the response times for any companies in the dispatch market, the locations of rejected rides by Transportation Network Companies, collisions, driver

<u>violations, rates, and customer complaints.</u> <u>and il</u> no further action is taken by City Council, the program will automatically sunset on June 30, 2016; and

## 4. Burgess Amendment #2

<u>Purpose</u>: Remove the proposed new language around business service contracts as it opens up too large a loophole and poses enforcement challenges. As currently written, County-licensed cabs could serve customers from a contracted business within the city without any requirement that a pick-up or drop-off location be outside the city.

Section 3 (page 6, line6):

"Business service contract" means a written contract between a for-hire driver or a for hire driver's representative and a business entity authorizing the for hire driver to pick up passengers at the business entity's place of business.

Section 4 (page 12, line14/15):

This chapter applies to all taxicab associations, all taxicabs, all for-hire vehicles and all for-hire drivers operating within The City of Seattle. This chapter does not apply to for-hire drivers with valid King County for-hire driver's licenses operating for-hire vehicles with valid King County only for-hire vehicle's licenses that have proof that they are operating the for-hire vehicle pursuant to a business service contract on file with the Director. This chapter is not intended to be a part of the New License Code, Chapter 6.202 et seq.

## 5. Clark Amendment #1

<u>Delete the "permit" level of TNC driver regulation and instead require all for-hire drivers</u> (TNC and otherwise) to go through the existing two-day course to receive a for-hire driver's license.

The committee originally included the permit level as a way to allow "casual" drivers a lower bar for entry into TNC work. The permit idea has proven confusing and has not been embraced by the TNCs. In pursuit of better clarity in the regulations and equity of regulation among drivers carrying out roughly the same duties, all drivers (taxi, flat-rate, TNC) would be required to go through the existing two-day training.

Fully licensed for-hire drivers would be eligible to apply for an "endorsement" on their license (see Clark amendment #2) that would allow them to drive their personal vehicle for a TNC (and only for a TNC) for up to 12 hours per day, seven days per week.

If limited in number, these endorsements would be allocated by lottery.

#### 6. Clark Amendment #2

Establish the "endorsement" allowing someone to drive his or her personal car for a TNC. Explained in Clark Amendment #1.

Cars would still go through inspection by a third party for safety as detailed in the base legislation.

If limited in number, these endorsements would be allocated by lottery.

#### 7. Clark Amendment #4

## Shorten and sharpen for-hire driver training.

In the resolution we request that FAS strip down the existing two-day training to be shorter and more sharply focused on safety. The amendment specifies the training should be shortened and sharpened to no more than one day. This should happen as soon as possible so that all for-hire drivers go through the same valuable training, training that truly addresses policy and service priorities.

## 8. Caps or no caps – this section is discussion only today, no vote on amendments

#### Clark Amendment #3

Issue up to **600** endorsements for TNC drivers utilizing their personal vehicle.

TNC's would still be able to contract with an unlimited number of licensed for-hire drivers who have their own licensed for-hire vehicle. (By example, Uber dispatches taxis in other markets.) The cap on the number of personal vehicles during the pilot phase is intended to mitigate potential migration of for-hire drivers from the existing taxi and flat-rate systems by limiting the total number of TNC drivers utilizing their personal vehicles. Media accounts from San Francisco indicate this migration is occurring. This may "strand" traditional users of taxis who rely on cash and/or do not use smart phones. The two-year cap gives time for taxis and users to adapt to likely cap-less future.

## **Bagshaw Amendment #1**

Remove the cap on TNC permit/endorsement holders.

## **Resolution**

#### 1. Harrell Amendment #1

Section 1: Page 2, Line 13

5. Working with King County to research and adopt a comprehensive solution for "deadheading." Currently taxis authorized to pick up in King County only must leave the City of Seattle without picking up another fare, leading to a loss of revenue and undesired environmental impacts. FAS should review this issue closely and develop a solution which may include dual licensing, authorizing pick-ups when King County taxis drop off, <u>pre-arranged trips from Seattle from dispatch or mobile application</u>, or another solution:

#### 2. O'Brien Amendment #1

#### Section 1 Scope of Work

Add new item

Review regulations for existing market participants to determine if they are necessary and/or can be revised to reduce current "regulatory burden".

#### 3. O'Brien Amendment #2 - Resolution

## Section 1 Scope of Work

Add new item

Consider innovative ways to increased service & enforcement levels by the City including automating record keeping and communication between FAS and market participants and reviewing the license lottery system. Consider ways to engage impacted communities and ensure that hiring practices satisfy the City's RSJI filters.

## 4. O'Brien Amendment #3 - Resolution

## Section 1 Scope of Work

Add new item

Explore ways to lower the cost of insurance for drivers including possibly expanding the grades of insurance and providers that satisfy Seattle's insurance requirements